

**ASSEMBLY BILL**

**No. 1740**

**Introduced by Assembly Member Cogdill**

June 18, 2001

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An act to add Section 96.26 to the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1740, as introduced, Cogdill. Local government finance.

Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. Existing property tax law also reduces the amounts of ad valorem property tax revenue that would otherwise be annually allocated to the county, cities, and special districts pursuant to these general allocation requirements by requiring, for purposes of determining property tax revenue allocations in each county for the 1992–93 and 1993–94 fiscal years, that the amounts of property tax revenue deemed allocated in the prior fiscal year to the county, cities, and special districts be reduced in accordance with certain formulas. It requires that the revenues not allocated to the county, cities, and special districts as a result of these reductions be transferred to the Educational Revenue Augmentation Fund in that county for allocation to school districts, community college districts, and the county office of education. Existing law provides for the

computation, on the basis of these allocations, of apportionment factors that are applied to actual property tax revenues in each county in order to determine actual amounts of property tax revenue received by each recipient jurisdiction.

This bill would deem to be correct those property tax revenue apportionment factors used in apportioning property tax revenues in the County of Madera, the County of Trinity, the County of Tuolumne, and the County of Ventura for fiscal years to the 2000–01 fiscal year, inclusive, and would thereafter require that property tax revenue apportionments be made in these counties on the basis of prior apportionment factors that have been corrected, as provided, as would be required in the absence of this bill.

This bill would make legislative findings and declarations as to the necessity for a special statute.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 96.26 is added to the Revenue and  
2 Taxation Code, to read:

3 96.26. Notwithstanding any other provision of law, the  
4 property tax apportionment factors applied to property tax  
5 revenues in the County of Madera, the County of Trinity, the  
6 County of Tuolumne, and the County of Ventura for each fiscal  
7 year to the 2000–01 fiscal year, inclusive, are deemed to be correct.  
8 However, for the 2001–02 fiscal year and each fiscal year  
9 thereafter, property tax apportionment factors applied to property  
10 tax revenues in these counties shall be determined on the basis of  
11 property tax apportionment factors for prior fiscal years that have  
12 been fully corrected and adjusted, pursuant to the review and  
13 recommendation of the Controller, as would be required in the  
14 absence of the preceding sentence.

15 SEC. 2. The Legislature finds and declares that a special law  
16 is necessary and that a general law cannot be made applicable  
17 within the meaning of Section 16 of Article IV of the California  
18 Constitution because of the unique difficulties faced by the County  
19 of Madera, the County of Trinity, the County of Tuolumne, and the



1 County of Ventura in attempting in good faith to properly allocate  
2 property tax revenues pursuant to ambiguous legal requirements,  
3 and the uniquely severe fiscal and public service consequences that  
4 would be faced by these counties in the absence of the relief  
5 provided by this act.

6 SEC. 3. This act is an urgency statute necessary for the  
7 immediate preservation of the public peace, health, or safety  
8 within the meaning of Article IV of the Constitution and shall go  
9 into immediate effect. The facts constituting the necessity are:

10 In order to immediately begin a program of fiscal relief that will  
11 allow local agencies to provide an adequate level of public  
12 protection services in the County of Madera, the County of Trinity,  
13 the County of Tuolumne, and the County of Ventura, it is necessary  
14 that this act take effect immediately.

